



Rex Allen Rock, Sr.
President/CEO
Arctic Slope Regional Corporation
P.O. Box 129
Barrow, AK 99723

August 22, 2012

Dear Rex:

I write to clear up apparent misperceptions about BBNC's position on the proposed Pebble mine and EPA's involvement in the watershed assessment process.

BBNC is and always will be committed to responsible resource development. BBNC is continuously looking for opportunities to responsibly and sustainably develop resources from our own lands or to support their development when the opportunity lies elsewhere. However, our bottom line is that we will not sacrifice the region's renewable fish and game resources for other potentially damaging resource extraction projects. Fish are and always have been the cultural and commercial lifeblood of the Bristol Bay region. BBNC's development decisions are made in conjunction with this fish first philosophy.

Many of you have written EPA and suggested, in one way or another, that the watershed assessment process is moving forward too quickly. A few of you have also raised concerns that EPA could establish a dangerous precedent by preemptively vetoing the proposed Pebble mine. I want to make you aware that the Pebble Limited Partnership (PLP) has used your letters, perhaps with or without your knowledge, as promotional material on its website.¹ Meanwhile, Bristol Bay residents, Tribal members and BBNC shareholders have been waiting for almost two years to speak out on this issue.

EPA has a role to play and did not come to the Pebble debate uninvited.² At least nine Bristol Bay Tribes, BBNC and other stakeholders within the region wrote EPA in late 2009 and asked it to consider using its Clean Water Act 404(c) authority to protect Bristol Bay from the proposed Pebble mine. The regional non-profit, Bristol Bay Native Association, subsequently agreed and likewise asked EPA to consider using its 404(c) authority. These decisions to oppose Pebble and seek EPA's involvement were not the knee-jerk reaction of a minority of individuals. In a 2011 survey, more than 80% of BBNC's shareholders both oppose Pebble; and support our decision to engage with the EPA. History has shown little precedent for the type of consensus we have in Bristol Bay on these issues and any efforts to characterize the region as more divided than it is are not accurate.

¹ See <http://www.pebblepartnership.com/news/response-to-epa.php>.

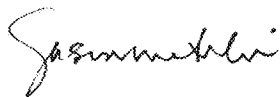
² Pebble Limited Partnership has itself admitted in various public statements and venues that EPA has a role to play.

More importantly, EPA is using a rigorous, thorough and inclusive process to understand the environment around the Pebble mine site and the potential impacts that would occur from its development. This process will culminate with the Final Watershed Assessment document that is due out later this year. While a few people within our region have refused to meaningfully engage with the EPA in this process, it is inaccurate to assert that the process has been either rushed or exclusive. In fact, the 66 days that EPA provided for comment on the draft watershed assessment is longer than Alaska typically allows for comment on large mining or other development projects. The EPA is also using an open peer review process to provide a scientific grounding for the assessment. And thousands of Alaskans turned out for the seven in-state public hearings for the assessment and nearly five hundred provided testimony.

BBNC has also been open with EPA, our congressional delegation, our state leaders, PLP and its parent companies, and all others, regarding what we want: three narrowly-tailored restrictions on any 404 permits for the proposed Pebble mine.³ These restrictions are specifically crafted to protect Bristol Bay's wild salmon and other game resources, would not prevent PLP from proceeding to the permitting process and into a full NEPA review of a suitable mine proposal, and are a reasonable course of conduct for EPA. These restrictions will simply prevent any compromise of the minimum mining standards that science and our experience tell us are required to protect the salmon and other wildlife. We urge you to ignore those who find it more expedient to spread fear about wide-ranging EPA action such as an outright permit veto, and instead join us in supporting this responsible vision for EPA action.

Don't be misguided by an outspoken few but rather take into account the vast majority of Bristol Bay residents and shareholders who are prepared to protect the largest and potentially last thriving wild salmon fishery in the world, representing a \$500 million industry and traditional way of life. The strength of our corporations is greatest when we openly communicate and act together to the best of our abilities. It is in this spirit that I write this letter. I ask that you empathize with our greatest challenge today and potentially for generations to come. Please contact me if you should have any questions or direct comments regarding BBNC's position on the proposed Pebble mine.

Respectfully,



Jason Metrokin
President & CEO

Cc: Tara Sweeney, SVP External Affairs

³ The restrictions and support for them are fully described in William M. Riley & Thomas G. Yocom, MINING THE PEBBLE DEPOSIT: ISSUES OF 404 COMPLIANCE AND UNACCEPTABLE ENVIRONMENTAL IMPACTS, (December 2011). <http://www.bbnc.net/images/documents/pdf/Riley-YocomExecSumm.pdf>.